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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/2007

SPONSOR Stapleton LAST UPDATED _____ HB 426

SHORT TITLE Marketing of NM Agricultural Products SB _____

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$675.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 437.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

House Bill 426 appropriates \$675,000 from the General Fund to the Regents of NMSU for expenditure in FY 2008 for the NMDA to enhance international marketing of NM agricultural products.

FISCAL IMPLICATIONS

The appropriation of \$675,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

SIGNIFICANT ISSUES

According to HED, this proposal develops a trade alliance, strengthens New Mexico exports with Latin America and surrounding countries, and builds cooperation with trading partners.

Some of the New Mexico agricultural products include beef, cheese, beans, apples, sheep, and wheat products. The goals of this program are to assist producers to market, promote New Mexico products, and assist members with production; direct producers, NMDA, and USDA to work cooperatively; and to develop and maintain quality information for its members. Currently, trading relations exist between NMDA, Cuba, and Chile.

This request was not on the list of priority projects submitted by NMSU to HED for review and was not included in the Department's funding recommendation for FY08.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 437 appropriates \$675,000 to NMSU to market NM-grown wheat internationally and domestically.

BM/yr